

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**

**Annual Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended**  
**June 30, 2014**

**With Supplemental Information Schedules**

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**

**Annual Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended June 30, 2014**  
**With Supplemental Information Schedules**

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## **Independent Auditor's Report**

### **UNION PARISH SHERIFF**

Farmerville, Louisiana

#### **Report on the Financial Statements**

I have audited the accompanying financial statements of the governmental activities and major fund of the Union Parish Sheriff, a component unit of the Union Parish Police Jury, as of June 30, 2014, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Union Parish Sheriff's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union Parish Sheriff's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**  
**Independent Auditor's Report,**  
**June 30, 2014**

***Opinions***

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and major fund of the Union Parish Sheriff as of June 30, 2014, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

***Other Matters***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 10, the budgetary comparison information on pages 37 through 39, and the schedule of funding progress for the retiree healthcare plan on page 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with managements's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Union Parish Sheriff's office basic financial statements. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements.

The supplemental information schedules listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

UNION PARISH SHERIFF  
Farmerville, Louisiana  
Independent Auditor's Report,  
June 30, 2014

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued a report dated September 25, 2014, on my consideration of the Union Parish Sheriff's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Union Parish Sheriff's internal control over financial reporting and compliance.

A handwritten signature in blue ink, appearing to read "D. J. Dinkley", is written over the printed name and date.

West Monroe, Louisiana  
September 25, 2014

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

UNION PARISH SHERIFF  
Farmerville, Louisiana

**Management's Discussion and Analysis**  
June 30, 2014

As management of the Union Parish Sheriff, I offer readers of the Union Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Union Parish Sheriff for the fiscal year ended June 30, 2014. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

**Overview of the Financial Statements**

This Management Discussion and Analysis document introduces the Sheriff's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Sheriff's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the Union Parish Sheriff's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Union Parish Sheriff's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Union Parish Sheriff is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Union Parish Sheriff, like other



state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Union Parish Sheriff can be divided into two categories: governmental funds and fiduciary (agency) funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Union Parish Sheriff adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided to demonstrate compliance with this budget.

**Fiduciary funds.** Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Union Parish Sheriff's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information** in addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Union Parish Sheriff's performance.

The combining schedules for nonmajor governmental funds are presented immediately following the required supplementary information.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Union Parish Sheriff exceeded liabilities by \$5,400,414. Approximately 78% of the Union Parish Sheriff's net position reflects its investment in capital assets (equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources.

An additional portion of the Union Parish Sheriff's net position represents resources that are subject to external restrictions (e.g., debt service). The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the Union Parish Sheriff to acquire capital assets from sources other

than internally generated funds (i.e., debt), and 2) required depreciation on assets included in the statement of net position.

#### STATEMENT OF NET POSITION

	2014	2013
<b>ASSETS</b>		
Cash and cash equivalents	\$1,582,085	\$1,440,237
Receivables	251,466	224,989
Due from other funds	5,530	4,682
Capital assets (net of accumulated depreciation)	4,830,987	4,980,948
<b>TOTAL ASSETS</b>	<b>\$6,670,068</b>	<b>\$6,650,856</b>
<b>LIABILITIES</b>		
Accounts payable	\$52,976	\$37,024
Salaries payable	139,991	157,159
Withholdings payable		25,522
Federal revenue bonds payable	593,612	600,000
Interest payable	22,444	22,688
Compensated absences payable	17,315	15,663
Net OPEB obligation	443,316	334,552
<b>TOTAL LIABILITIES</b>	<b>1,269,654</b>	<b>1,192,608</b>
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	4,237,375	4,380,948
Unrestricted	1,163,039	1,077,300
<b>TOTAL NET POSITION</b>	<b>\$5,400,414</b>	<b>\$5,458,248</b>

#### STATEMENT OF ACTIVITIES

	2014	2013
<b>Public safety:</b>		
Personal services	\$3,073,694	\$3,227,670
Operating services	505,479	649,633
Materials and supplies	349,833	385,703
Travel	32,654	86,801
Depreciation expense	400,739	448,165
Debt service interest	24,568	23,978
Intergovernmental		733
<b>Total Program Expenses</b>	<b>4,386,967</b>	<b>4,822,683</b>
<b>Program revenues:</b>		
Civil and criminal fees	180,638	189,150
Commissions on license and taxes	44,092	47,606
Court attendance	6,702	6,836
Transportation of prisoners	7,467	8,330
Bond fees	21,464	18,247
Other fees	5,034	
Accident reports	8,640	13,305
<b>Total program revenues</b>	<b>274,037</b>	<b>283,474</b>
<b>Net Program Expenses</b>	<b>(4,112,930)</b>	<b>(4,539,209)</b>
<b>General revenues:</b>		
<b>Taxes:</b>		
Ad valorem	885,767	895,833
Sales	2,514,467	2,367,514
<b>Grants and contributions not restricted to specific programs:</b>		
Federal sources	143,570	101,045
State sources	498,938	450,476
Local	1,000	420
Interest earned	1,073	1,857
Miscellaneous	42,695	69,915
<b>Special items:</b>		
Gain (loss) on sale of assets	(32,414)	7,742
<b>Change in Net Position</b>	<b>(\$57,834)</b>	<b>(644,407)</b>
<b>NET POSITION</b>		
Beginning of year	5,458,248	6,102,655
End of year	\$5,400,414	\$5,458,248

## **Financial Analysis of the Government's Funds**

As noted earlier, the Union Parish Sheriff uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2014, combined governmental fund balances of \$1,646,114 showed an increase of \$195,911 over June 30, 2013.

## **General Fund Budgetary Highlights**

Differences between revenues of the original budget and the final budget were due to an increase in other state grants, bond fees, and other revenues and decreases in ad valorem taxes, federal grants, state revenue sharing, civil and criminal fees, accident reports, and use of money and property. Differences between expenditures in the original and final budget were due to an increase in operating services and capital outlay and a decrease in personal services, materials and supplies and travel and other charges.

## **Capital Asset and Debt Administration**

**Capital assets.** The Union Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2014, amounts to \$4,830,987 net of accumulated depreciation). This investment includes vehicles, furniture, and equipment. The increase in capital assets for the year was \$287,192. There were decreases of \$602,162 during the current year, the largest part was agency performing a physical inventory.

**Long-term debt.** At the end of the fiscal year, Union Parish Sheriff had total debt outstanding of \$1,054,243 in the form of compensated absences of \$17,315, federal revenue bonds of \$593,612, and net OPEB obligation of \$443,316. The Union Parish Sheriff contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees through the sheriff's group health insurance plan.

## **Requests for Information**

This financial report is designed to provide a general overview of the Union Parish Sheriff's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Union Parish Sheriff, P.O. Box 723, Farmerville, LA 71241.

## **BASIC FINANCIAL STATEMENTS**

UNION PARISH SHERIFF  
Farmerville, LouisianaSTATEMENT OF NET POSITION  
June 30, 2014**ASSETS**

Cash and cash equivalents	\$1,582,085
Receivables	251,466
Due from other funds	5,530
Capital assets (net of accumulated depreciation)	<u>4,830,987</u>
<b>TOTAL ASSETS</b>	<b><u>\$6,670,068</u></b>

**LIABILITIES**

Accounts payable	\$52,976
Salaries payable	139,991
Federal Revenue Bonds payable	593,612
Interest payable	22,444
Compensated absences payable	17,315
Net OPEB obligation	<u>443,316</u>
<b>TOTAL LIABILITIES</b>	<b><u>1,269,654</u></b>

**NET POSITION**

Invested in capital assets, net of related debt	4,237,375
Unrestricted	<u>1,163,039</u>
<b>TOTAL NET POSITION</b>	<b><u>\$5,400,414</u></b>

The accompanying notes are an integral part of this statement.

UNION PARISH SHERIFF  
Farmerville, Louisiana  
STATEMENT OF ACTIVITIES  
June 30, 2014

Public safety:	
Personal services	\$3,073,694
Operating services	505,479
Materials and supplies	349,833
Travel	32,654
Depreciation expense	400,739
Debt service interest	24,568
Total Program Expenses	<u>4,386,967</u>
Program revenues:	
Civil and criminal fees	180,638
Commissions on license and taxes	44,092
Court attendance	6,702
Transportation of prisoners	7,467
Bond fees	21,464
Other fees	5,034
Accident reports	8,640
Total program revenues	<u>274,037</u>
Net Program Expenses	<u>(4,112,930)</u>
General revenues:	
Taxes:	
Ad valorem	885,767
Sales	2,514,467
Grants and contributions not restricted to specific programs:	
Federal sources	143,570
State sources	498,938
Local	1,000
Interest earned	1,073
Miscellaneous	42,695
Special items -	
Gain (loss) on disposal of assets	<u>(32,414)</u>
Change in Net Position	<u>(57,834)</u>
<b>NET POSITION</b>	
Beginning of year	<u>5,458,248</u>
End of year	<u><u>\$5,400,414</u></u>

The accompanying notes are an integral part of this statement.

UNION PARISH SHERIFF  
Farmerville, Louisiana  
GOVERNMENTAL FUND

Balance Sheet, June 30, 2014

	General Fund	Non Major Funds	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$1,502,341	\$79,744	\$1,582,085
Receivables	251,466		251,466
Due from other funds	5,530		5,530
<b>TOTAL ASSETS</b>	<b><u>\$1,759,337</u></b>	<b><u>\$79,744</u></b>	<b><u>\$1,839,081</u></b>
<b>LIABILITIES AND FUND EQUITY</b>			
Liabilities:			
Accounts payable	\$52,976		\$52,976
Salaries payable	139,991		139,991
Total Liabilities	192,967	NONE	192,967
Fund equity:			
Restricted		\$79,744	79,744
Unassigned	1,566,370		1,566,370
Total fund equity	1,566,370	79,744	1,646,114
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$1,759,337</u></b>	<b><u>\$79,744</u></b>	<b><u>\$1,839,081</u></b>

The accompanying notes are an integral part of this statement.

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**

**Reconciliation of Governmental Funds**  
**Balance Sheet to the Statement of Net Position**

**For the Year Ended June30, 2014**

<b>Total Fund Balances at June 30, 2014 - Governmental Funds (Statement C)</b>	<b>\$1,646,114</b>
<b>Cost of capital assets at June 30, 2014</b>	<b>\$6,512,483</b>
<b>Less: Accumulated depreciation as of June 30, 2014</b>	<b><u>(1,681,496)</u> 4,830,987</b>
<b>Long-term liabilities at June 30, 2014 -</b>	
Compensated absences payable	(17,315)
Revenue bonds payable	(593,612)
Interest payable	(22,444)
Net OPEB obligation	<b><u>(443,316)</u> (1,076,687)</b>
<b>Net Position at June 30, 2014 (Statement A)</b>	<b><u><u>\$5,400,414</u></u></b>

The accompanying notes are an integral part of this statement.



UNION PARISH SHERIFF  
Farmerville, Louisiana  
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and  
Changes in Fund Balance

For the Year Ended June 30, 2014

	General Fund	Non Major Funds	TOTAL
<b>REVENUES</b>			
Taxes:			
Ad valorem	\$885,767		\$885,767
Sales	2,514,467		2,514,467
Intergovernmental revenues:			
Federal grants	22,346	\$121,224	143,570
State grants:			
State supplemental pay	190,521		190,521
State revenue sharing (net)	99,254		99,254
State FP&C grant		178,461	178,461
Other	\$30,702		30,702
Local grants	1,000		1,000
Fees, charges, and commissions for services:			
Civil and criminal fees	180,638		180,638
Commissions on licenses and taxes	44,092		44,092
Court attendance	6,702		6,702
Transportation of prisoners	7,467		7,467
Bond fees	21,464		21,464
Accident reports	8,640		8,640
Other fees	5,034		5,034
Use of money and property	1,050	23	1,073
Other	42,695		42,695
Total revenues	<u>4,061,839</u>	<u>299,708</u>	<u>4,361,547</u>
<b>EXPENDITURES</b>			
Public safety:			
Current:			
Personal services and related benefits	2,963,278		2,963,278
Operating services	505,479		505,479
Materials and supplies	272,661	77,172	349,833
Travel and other charges	32,654		32,654
Debt Service	31,200		31,200
Capital outlay	58,212	228,980	287,192
Total expenditures	<u>3,863,484</u>	<u>306,152</u>	<u>4,169,636</u>

(Continued)

**Statement D**

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**  
**GOVERNMENTAL FUND TYPE - GENERAL FUND**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance**

	<u>General Fund</u>	<u>Non Major Funds</u>	<u>TOTAL</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	\$198,355	(\$6,444)	\$191,911
<b>OTHER FINANCING SOURCE:</b> Proceeds from disposal of assets	<u>4,000</u>	<u></u>	<u>4,000</u>
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER OVER EXPENDITURES</b>	202,355	(6,444)	195,911
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>1,364,015</u>	<u>86,188</u>	<u>1,450,203</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u><u>\$1,566,370</u></u>	<u><u>\$79,744</u></u>	<u><u>\$1,646,114</u></u>

(Concluded)

The accompanying notes are an integral part of this statement.

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**

**Reconciliation of Governmental Funds**  
**Statement of Revenue, Expenditures, and Changes**  
**in Fund Balances to the Statement of Activities**

**For the Year Ended June 30, 2014**

<b>Total net change in fund balances - governmental funds (Statement D)</b>	<b>\$195,911</b>
<b>Amounts reported for governmental activities in the Statement of Activities are different because:</b>	
<b>Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the period:</b>	<b>(113,547)</b>
<b>Governmental funds do not report gain or loss on disposition of assets. In the Statement of Activities, gain on disposition of assets decreased when the asset is disposed.</b>	<b>(36,414)</b>
<b>Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.</b>	<b>244</b>
<b>Payments of long-term debt, including bonds, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.</b>	<b>6,388</b>
<b>Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.</b>	<b>(108,764)</b>
<b>In the Statement of Activities, certain operating expenses - compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).</b>	<b><u>(1,652)</u></b>
<b>Change in net position of governmental activities (Statement B)</b>	<b><u><u>(\$57,834)</u></u></b>

The accompanying notes are an integral part of this statement.

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**  
**Statement of Fiduciary Net Assets - Agency Funds**

June 30, 2014

	TAX COLLECTOR FUND	SEIZURE FUND	CIVIL FUND	CRIMINAL FUND	TOTAL
<b>ASSETS</b>					
Cash and equivalents	\$214,050	\$7,455	\$48,212	\$157,362	\$427,079
Total Assets	<u>\$214,050</u>	<u>\$7,455</u>	<u>\$48,212</u>	<u>\$157,362</u>	<u>\$427,079</u>
<b>LIABILITIES</b>					
Unsettled deposits due to:					
Other funds	\$586		\$1,448	\$3,496	\$5,530
Others	213,464	\$7,455	46,764	153,866	421,549
Total Liabilities	<u>\$214,050</u>	<u>\$7,455</u>	<u>\$48,212</u>	<u>\$157,362</u>	<u>\$427,079</u>

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**

**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen licenses, and fines, costs, and bond forfeitures imposed by the district court.

The sheriff has the responsibility for enforcing state and local laws, ordinances, et cetera, within the territorial boundaries of the parish. The sheriff provides protection to the residents of the parish through on-site patrols, investigations, et cetera, and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. Additionally, the sheriff, when requested, provides assistance to other law enforcement agencies within the parish.

The accompanying financial statements of the Union Parish Sheriff have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Union Parish Police Jury is the financial reporting entity for Union Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Union Parish Police Jury for

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**Notes to the Financial Statements (Continued)**

financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the sheriff's office is located and provides partial funding for equipment, furniture and supplies of the sheriff's office, the sheriff was determined to be a component unit of the Union Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Union Parish financial reporting entity.

**B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS**

The sheriff's basic financial statements include both government-wide (reporting the sheriff as a whole) and fund financial statements (reporting the sheriff's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the sheriff are classified as governmental.

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the sheriff, except for fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term

## UNION PARISH SHERIFF

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### Notes to the Financial Statements (Continued)

assets and receivables as well as long-term obligations. Net position are reported in three parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the sheriff's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the sheriff's general revenues.

**Allocation of Indirect Expenses** - The sheriff reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

## C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the sheriff are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The sheriff's current operations require the use of only

**UNION PARISH SHERIFF**  
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**Notes to the Financial Statements (Continued)**

governmental and fiduciary funds. The governmental and fiduciary fund types used by the sheriff are described as follows:

**Governmental Fund Type**

**General Fund** - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the sheriff and is used to account for the operations of the sheriff's office. The various fees and charges due to the sheriff's office are accounted for in this fund. General operating expenditures are paid from this fund.

**Fiduciary Fund Type - Agency Funds**

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from the funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**D. BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

**1. Accrual:**

Both governmental and business type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**2. Modified Accrual:**

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.



## **UNION PARISH SHERIFF**

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### **Notes to the Financial Statements (Continued)**

Governmental funds and the fiduciary type agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

#### **Revenues**

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January, and February of the fiscal year.

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recognized when received by the sheriff.

Based on the above criteria, intergovernmental revenue and fees, charges, and commissions for services are treated as susceptible to accrual.

#### **Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

#### **E. CASH AND CASH EQUIVALENTS**

Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2014, the sheriff has cash and equivalents (book balances) totaling \$2,009,164 follows:

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Demand deposits	\$2,008,664
Petty cash	<u>500</u>
Total	<u><u>\$2,009,164</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2014, are secured as follows:

Bank balances	<u>\$2,082,848</u>
Federal deposit insurance	\$860,207
Pledged securities (uncollateralized)	<u>7,323,699</u>
Total	<u><u>\$8,183,906</u></u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the sheriff, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the sheriff that the fiscal agent has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the sheriff's name.

**F. SALES TAX**

The voters of the parish approved the continuance of a ½ of one percent sales and use tax and to levy an additional ½ of one percent sales and use tax for ten (10) years, beginning April 1, 2002. This sales tax was renewed beginning April 1, 2012 for a period of ten (10) years. The proceeds of the sales tax are dedicated for the purpose of providing additional funding for the law enforcement district. The sheriff's office has entered into an agreement with the Lincoln Parish Sales and Use Tax Commission for collection of the tax. For its services, the tax commission receives one and one-eighths per cent (1-1/8%) of gross collections for the year ended June 30, 2014.

UNION PARISH SHERIFF  
Farmerville, Louisiana  
Notes to the Financial Statements (Continued)

**G. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$1000 or more for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the sheriff, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

**H. VACATION AND SICK LEAVE**

All employees are granted from one to two weeks of vacation leave each year, depending on length of service. Vacation leave must be taken in the year granted and may not be accumulated and carried forward to succeeding years. Sick leave is earned at a rate of eight hours per month, and may not be accumulated and carried forward to succeeding years.

**I. RISK MANAGEMENT**

The sheriff is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the sheriff maintains commercial insurance policies covering his automobiles and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2014.

**2. RECEIVABLES**

The receivables of \$251,466 at June 30, 2014, are as follows:

**UNION PARISH SHERIFF**  
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**Notes to the Financial Statements (Continued)**

<u>Class of receivables:</u>	<u>General Fund</u>
Taxes - Ad Valorem Tax	\$2,485
Taxes - Sales Tax	212,819
Federal grants	2,830
Civil and criminal fees	6,860
Other	26,472
Total	<u>\$251,466</u>

**3. CHANGES IN CAPITAL ASSETS**

A summary of changes in office furnishings, vehicles, and equipment follows:

Adjusted balance at June 30, 2013	\$6,827,453
Additions	287,192
Deletions	(602,162)
Balance at June 30, 2014	6,512,483
Less accumulated depreciation	(1,681,496)
Net Capital Assets	<u>\$4,830,987</u>

**4. PENSION PLAN**

Substantially all employees of the Union Parish Sheriff's office are members of the Louisiana Sheriff's Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. All sheriffs and all deputies who are 18 years or older at the time of original employment, who earn not less than \$400 per month if employed after September 7, 1979 and before January 1, 1991; \$550 if employed between January 1, 1991 and December 31, 1999; and \$800 if employed after January 1, 2000 are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to 3.33 percent of their final-average salary for each year of credited service. The retirement benefit cannot exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

## **UNION PARISH SHERIFF**

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### **Notes to the Financial Statements (Continued)**

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, 6554 Florida Blvd., Suite 215, Baton Rouge, Louisiana 70806, or by calling (800) 586-9049.

Plan members are required by state statute to contribute 10.25 percent of their annual covered salary and the Union Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 13.89 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Union Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Union Parish Sheriff's contributions to the System for the years ended June 30, 2014, 2013, and 2012 were \$294,548, \$296,132, and \$255,256, respectively, equal to the required contributions for each year.

## **5. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**Plan Description.** The Union Parish Sheriffs Office's medical and life insurance benefits are provided to employees upon actual retirement.

The employer pays 100% of the medical coverage for the retiree (not dependents). See the sections below for details on Life Insurance and dental benefits. Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; or, attainment of age 55 and completion of 12 years of service.

Dental insurance coverage is provided to retirees. The employer pays 100% of the cost of the dental insurance for the retirees but not for dependents. We have used the unblended rates provided and included the dental insurance in the medical insurance valuation. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for dental insurance.

The employer pays for the first \$10,000 of life insurance after retirement for the retiree and the retirees pay for the volume in excess of \$10,000. However, both the employer and retiree rates are based on the blended active/retired rate and there is thus an implied subsidy. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates do as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. Insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

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Notes to the Financial Statements (Continued)

**Contribution Rates.** Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

**Fund Policy.** Until 2009, the Union Parish Sheriff's Office recognized the cost of providing post-employment medical and life benefits (Union Parish Sheriff's Office portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2014 and 2013, Union Parish Sheriff's Office portion of health care and life insurance funding cost for retired employees totaled \$32,317 and \$29,923 respectively.

Effective with the Fiscal Year beginning July 1, 2009, Union Parish Sheriff's Office implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

**Annual Required Contribution.** Union Parish Sheriff's Office Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

Normal cost	\$68,993
30- year UAL amortization amount	78,053
Annual required contribution (ARC)	<u>\$147,046</u>

**Net Post-employment Benefit Obligation OPEB (Asset).** The table below shows Union Parish Sheriff's Office's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for the fiscal year ending June 30,:

	2014	2013
Beginning Net OPEB Obligation	\$334,552	\$227,135
Annual required contribution	147,046	141,390
Interest on net OPEB obligation	13,382	9,085
Adjustment to annual required contribution	(19,347)	(13,135)
Annual OPEB cost (expense)	141,081	137,340
Contributions made	(32,317)	(29,923)
Change in Net OPEB Obligation	108,764	107,417
Net OPEB obligation at end of year	<u>\$443,316</u>	<u>\$334,552</u>

The following table shows Union Parish Sheriff's Office annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability for last year and this year:

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Notes to the Financial Statements (Continued)

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation (Asset)
Medical/Dental/Life	June 30, 2014	\$141,081	22.91%	\$443,316
Medical/Dental/Life	June 30, 2013	\$137,340	21.79%	\$334,552

**Funded Status and Funding Progress.** In 2014 and 2013, Union Parish Sheriff's Office made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2012, actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2014 was \$1,403,765, which is defined as that portion, as determined by a particular actuarial cost method (Union Parish Sheriff's Office uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

Actuarial Accrued Liability (AAL)	\$1,403,765
Actuarial Value of Plan Assets	NONE
Unfunded Act. Accrued Liability (UAAL)	\$1,403,765
Funded Ratio (Act. Val. Assets/AAL)	0.00%
Covered Payroll (active plan members)	\$2,156,669
UAAL as a percentage of covered payroll	65.09%

**Actuarial Methods and Assumptions.** Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far in to the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by Union Parish Sheriff's Office and its employee plan members) at the time of the valuation and on the pattern of sharing costs between Union Parish Sheriff's Office and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between Union Parish Sheriff's Office and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

**Actuarial Cost Method.** The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other

UNION PARISH SHERIFF  
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Notes to the Financial Statements (Continued)

described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

**Actuarial Value of Plan Assets.** There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

**Turnover Rate.** An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 15%.

**Post employment Benefit Plan Eligibility Requirements.** Historically, employees have entered D.R.O.P. after age 55 and 25 years of service, or age 65 and 12 years of service. We have therefore assumed that employees retire three years after that historical retirement age as just described. The three years is to accommodate the D.R.O.P. period. Medical benefits are provided to employees upon actual retirement.

**Investment Return Assumption (Discount Rate).** GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits. Based on assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

**Health Care Cost Trend Rate.** The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

**Mortality Rate.** The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is a published mortality table which was designed to be used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

**Method of Determining Value of Benefits.** The “value of benefits” has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 100% of the cost of the medical benefits for the retiree only (not dependents). See the section below for details on Life Insurance benefits. The medical rates provided are “blended” rates for active and retired before Medicare eligibility. We have therefore estimated the “unblended” rates as required by GASB 45 for valuation purposes to be 130% of the blended rates prior to Medicare eligibility.

**Inflation Rate,** Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

**Projected Salary Increases,** This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.



UNION PARISH SHERIFF  
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Notes to the Financial Statements (Continued)

**Post-retirement Benefit Increases,** The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

## 6. LONG TERM OBLIGATIONS

At June 30, 2014, the sheriff has an outstanding issue of federal long-term revenue bonds. In 2011 the sheriff sold a revenue bond to the United States Department of Agriculture, Farmers Home Administration. The issue dated July 22, 2011 was for \$600,000. The issue bears interest at 4.125 per cent per annum. Principal and interest are to be repaid in annual payments of \$31,200 through July 22, 2051. All long-term debt is to be repaid from the revenues derived from the operation of the civil and criminal divisions of the sheriffs office.

The following is a summary of long-term obligation transactions for the year ended June 30, 2014:

	Revenue Bonds	Compensated Absences	Total
Long-term obligations, June 30, 2013	\$600,000	\$15,663	\$615,663
Additions	NONE	20,391	20,391
Deletions	(6,388)	(20,196)	(26,584)
Adjustments		1,457	1,457
Long-term obligations, June 30, 2014	<u>\$593,612</u>	<u>\$17,315</u>	<u>\$610,927</u>

Revenue bonds payable at June 30, 2014, are comprised of the following individual issues:

\$600,000 - dated July 22, 2011. The principal is due in annual installments of \$31,200 July 22, 2051, with interest of 4.125 per cent. Debt retirement payments are made from the Sheriff's General Fund.	<u>\$593,612</u>
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The annual requirements to amortize the revenue bonds outstanding at June 30, 2014 are as follows:

Year	Principal	Interest	Total
2015	\$6,716	\$24,484	\$31,200
2016	6,993	24,207	31,200
2017	7,282	23,918	31,200
2018	7,582	23,618	31,200
2019	7,895	23,305	31,200
2020-2024	44,635	111,365	156,000
2025-2029	54,633	101,367	156,000
2030-2034	66,870	89,130	156,000
2035-2039	81,847	74,153	156,000

**UNION PARISH SHERIFF**  
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**Notes to the Financial Statements (Continued)**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2040-2044	\$100,180	\$55,820	\$156,000
2045-2049	122,618	33,382	156,000
2050-2051	86,361	7,239	93,600
Total	<u>\$593,612</u>	<u>\$591,988</u>	<u>\$1,185,600</u>

**7. DUE FROM/TO OTHER FUNDS**

Individual balances due from/to other funds at June 30, 2014, are as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$5,530	
Agency Funds:		
Civil Fund		\$1,448
Criminal Fund		3,496
Tax Collector Fund		586
Total	<u>\$5,530</u>	<u>\$5,530</u>

**8. CHANGES IN AGENCY FUND BALANCES**

A summary of changes in agency fund balances due to taxing bodies and others follows:

	<u>Tax Collector Fund</u>	<u>Seizure Fund</u>	<u>Civil Fund</u>	<u>Criminal Fund</u>	<u>Total</u>
Balance, July 1, 2013	\$63,025	\$7,452	\$50,196	\$195,892	\$316,565
Additions	11,495,352	3	427,133	576,129	12,498,617
Deletions	(11,344,913)	NONE	(430,565)	(618,155)	(12,393,633)
Balance, June 30, 2014	<u>\$213,464</u>	<u>\$7,455</u>	<u>\$46,764</u>	<u>\$153,866</u>	<u>\$421,549</u>

**9. TAX COLLECTOR ENDING CASH BALANCE**

At June 30, 2014, the tax collector has cash and equivalents (book balances) totaling \$214,050 as follows:

Ad valorem taxes	\$28,226
Redemptions and refunds	3,248
Protest taxes	145,496
Parish licenses	12,990
Interest on tax account	2
Interest on delinquent taxes	1,800
Interest on licenses	586

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**  
**Notes to the Financial Statements (Continued)**

Interest on protest taxes	\$2,860
Costs	<u>18,842</u>
Total	<u>\$214,050</u>

**10. AD VALOREM TAXES COLLECTED**

The tax collector has collected and disbursed the following taxes for the year ended June 30, 2014, by taxing body as follows:

Louisiana Forestry Service	\$28,961
Louisiana Tax Commission	6,328
Union Parish Assessor	765,727
Union Parish Police Jury	3,204,641
Union Parish School Board	3,569,772
Union Parish Sheriff	883,311
East Union Hospital	725,989
Tri Ward Hospital	245,512
Ward 5 Fire District	357,037
Spencer-West Sterlington	16,640
District 7 Fire District	173,780
District 1 Fire District	252,566
Northeast Union Fire District	134,434
North Union Fire District	48,887
Bernice Fire District	77,764
Spearsville Fire District	60,918
Sadie-Tiger Bend Fire District	<u>40,608</u>
Total	<u>\$10,592,875</u>

**11. TAX UNCOLLECTED AND UNSETTLED**

The tax collector has not collected and disbursed the following taxes for the year ended June 30, 2014, by taxing body as follows:

Louisiana Forestry Service	\$10
Union Parish Assessor	38,599
Union Parish Police Jury	161,543
Union Parish School Board	179,949
Union Parish Sheriff	44,269
East Union Hospital	41,499
Tri Ward Hospital	3,163

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**  
**Notes to the Financial Statements (Continued)**

Ward 5 Fire District	\$499
Spencer/West Sterlington	680
District 7 Fire District	15,700
District 1 Fire District	2,399
Northeast Union Fire District	38,203
North Union Fire District	136
Bernice Fire District	1,584
Spearsville Fire District	1,009
Sadie-Tiger Fire District	<u>654</u>
Total	<u><u>\$529,896</u></u>

The majority of uncollected taxes consist of gas and oil wells and moveable property. The Sheriff has hired an outside firm to collect outstanding taxes. There are also several assessments that have been determined to be 'no property found', but the assessor has not removed it from the tax roll.

**12. OCCUPATIONAL LICENSES COLLECTED**

At June 30, 2014, the tax collector has collected and disbursed the following:

	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Final Distribution</u>
Union Parish Police Jury	<u>\$117,582</u>	<u>\$17,637</u>	<u>\$99,945</u>

**13. LITIGATION AND CLAIMS**

The Union Parish Sheriff is not involved in any litigation at June 30, 2014, nor is he aware of any unasserted claims.

**14. EXPENDITURES OF THE SHERIFF'S OFFICE  
PAID BY THE PARISH POLICE JURY**

The Union Parish Sheriff's office is located in a newly constructed sheriff's office building. The cost of maintaining and operating the sheriff's office is paid by the Union Parish Sheriff's office. The Union Parish Police Jury donated the land for the site of the sheriff's office.

**REQUIRED SUPPLEMENTARY INFORMATION**

**PART II**

UNION PARISH SHERIFF  
Farmerville, Louisiana

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
For the Year Ended June 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$890,000	\$881,000	\$885,767	\$4,767
Sales	2,400,000	2,400,000	2,514,467	114,467
Intergovernmental revenues:				
Federal grants - federal revenue	7,000	4,125	22,346	18,221
State grants:				
State supplemental pay	190,000	190,000	190,521	521
State revenue sharing (net)	102,000	99,253	99,254	1
Other state grants	40,000	50,537	30,702	(19,835)
Local grant			1,000	1,000
Fees, charges, and commissions for services:				
Civil and criminal fees	200,000	171,000	180,638	9,638
Commissions on licenses and taxes	37,000	35,400	44,092	8,692
Court attendance	3,500	2,000	6,702	4,702
Transportation of prisoners	7,000	6,200	7,467	1,267
Bond fees	15,000	18,500	21,464	2,964
Accident reports	14,000	7,700	8,640	940
Other fees			5,034	5,034
Use of money and property	1,200	400	1,050	650
Other revenue	10,500	40,067	42,695	2,628
Total revenues	<u>3,917,200</u>	<u>3,906,182</u>	<u>4,061,839</u>	<u>155,657</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Personal services and benefits	3,226,562	3,032,883	2,963,278	69,605
Operating services	490,900	554,580	505,479	49,101
Materials and supplies	365,000	315,000	272,661	42,339
Travel and other charges	68,286	45,000	32,654	12,346
Debt service	31,200	31,200	31,200	
Capital outlay	54,200	70,000	58,212	11,788
Total expenditures	<u>4,236,148</u>	<u>4,048,663</u>	<u>3,863,484</u>	<u>185,179</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(318,948)</u>	<u>(142,481)</u>	<u>198,355</u>	<u>340,836</u>

(Continued)

UNION PARISH SHERIFF  
 Farmerville, Louisiana  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>OTHER FINANCING SOURCE-</b>				
Proceeds from disposal of assets			\$4,000	\$4,000
Total financing source	NONE	NONE	4,000	4,000
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES</b>	(\$318,948)	(\$142,481)	202,355	344,836
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	1,200,000	1,364,015	1,364,015	NONE
<b>FUND BALANCES AT END OF YEAR</b>	\$881,052	\$1,221,534	\$1,566,370	\$344,836

(Concluded)

**UNION PARISH SHERIFF  
Farmerville, Louisiana**

**NOTE TO BUDGETARY COMPARISON SCHEDULE  
For the Year Ended June 30, 2014**

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Union Parish Sheriff's office during the month of June for comments from taxpayers. The budget is then legally adopted by the sheriff and amended during the year, as necessary. The budget is established and controlled by the sheriff at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.



**Union Parish Sheriff  
Retiree Healthcare Plan  
June 30, 2014**

**Schedule of Funding Progress**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded Actuarial Accrued Liability (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll</b>
June 30, 2009	\$0	\$956,658	\$956,658	0.00%	\$1,779,699	53.75%
June 30, 2012	\$0	\$1,349,774	\$1,349,774	0.00%	\$2,296,744	58.77%

**Note:**

Generally accepted governmental accounting principles (GASB Codification Po50.131-132) require that the schedule present information from the last three actuarial valuations. Because the requirements of GASB 45 were implemented starting with the year ended June 30, 2010, only one year is available. Additional information will be added after the next valuation. Subsequent to that, information will be presented for the latest three valuations.

STATE OF LOUISIANA

PARISH OF UNION

**AFFIDAVIT  
DUSTY J. GATES, SHERIFF OF UNION PARISH**

BEFORE ME, the undersigned authority, personally came and appeared, DUSTY J. GATES, SHERIFF OF UNION PARISH, State of Louisiana, who after being duly sworn, deposed and said:

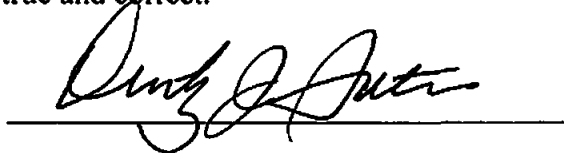
The following information is true and correct:

\$214,050 is the amount of cash on hand in the tax collector account on June, 30, 2014.

He further deposed and said:

All itemized statements of the amount of taxes collected for the tax year, 2013, by taxing authority, are true and correct.

All itemized statements of all taxes assessed and uncollected, which indicate the reasons for the failure to collect, by taxing authority, are true and correct.

A handwritten signature in black ink, appearing to read "Dusty J. Gates", written over a horizontal line.

DUSTY J. GATES, SHERIFF  
SHERIFF & EX-OFFICIO TAX COLLECTOR

SWORN to and subscribed before me, Notary, this 25<sup>th</sup> day of September, 2014, in my office in Farmerville, Louisiana.

A handwritten signature in black ink, appearing to read "Flora B. Ebarb", written over a horizontal line.

FLORA B. EBARB, NOTARY PUBLIC #008598  
UNION PARISH, LOUISIANA

**OTHER SUPPLEMENTARY INFORMATION**

**PART III**

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**For the Year Ended June 30, 2014**

**NON MAJOR FUNDS**

**STATE CONSTRUCTION FUND**

The State Construction Fund was used for the cost of construction of the law enforcement building with proceeds from Facilities Planning and Control grants.

**USDA CONSTRUCTION FUND**

The USDA Construction Fund was used for the cost of construction of the law enforcement building with proceeds from USDA grants and loan.

**USDA CONTINGENCY RESERVE FUND**

The USDA Contingency Reserve Fund may be used for unusual or extraordinary maintenance, repairs, replacements, and extensions and for the cost of improvements to the building.

**USDA DEBT SERVICE FUND**

This fund is used to pay bond principal and interest as they become due.

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**  
**GOVERNMENTAL FUND TYPE - NON MAJOR FUNDS**

Combining Balance Sheet, June 30, 2014

	<u>State Construction</u>	<u>USDA Construction</u>	<u>USDA Contingency</u>	<u>USDA Debt Service</u>	<u>TOTAL</u>
<b>ASSETS</b>					
Cash	<u>\$9,581</u>	<u>\$90</u>	<u>\$35,038</u>	<u>\$35,035</u>	<u>\$79,744</u>
<b>FUND EQUITY</b>					
Restricted	<u>\$9,581</u>	<u>\$90</u>	<u>\$35,038</u>	<u>\$35,035</u>	<u>\$79,744</u>

UNION PARISH SHERIFF  
Farmerville, Louisiana  
GOVERNMENTAL FUND TYPE - NON MAJOR FUNDS

Combining Schedule of Revenues, Expenditures, and  
Changes in Fund Balances  
For the Year Ended June 30, 2014

	State Construction Fund	USDA Construction Fund	USDA Contingency Reserve	USDA Debt Service Fund	TOTAL
<b>REVENUES</b>					
Federal grants		\$121,224			\$121,224
State grants	\$178,461				178,461
Use of money and property			\$13	\$10	23
<b>TOTAL REVENUES</b>	<u>178,461</u>	<u>121,224</u>	<u>13</u>	<u>10</u>	<u>299,708</u>
<b>EXPENDITURES</b>					
Materials and supplies	10,318	66,854			77,172
Capital outlay	<u>168,143</u>	<u>60,837</u>			<u>228,980</u>
<b>TOTAL EXPENDITURES</b>	<u>178,461</u>	<u>127,691</u>	<u>NONE</u>	<u>NONE</u>	<u>306,152</u>
<b>TOTAL OF REVENUES OVER EXPENDITURES</b>	<u>NONE</u>	<u>(6,467)</u>	<u>13</u>	<u>10</u>	<u>(6,444)</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>9,581</u>	<u>6,557</u>	<u>35,025</u>	<u>35,025</u>	<u>86,188</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u><u>\$9,581</u></u>	<u><u>\$90</u></u>	<u><u>\$35,038</u></u>	<u><u>\$35,035</u></u>	<u><u>\$79,744</u></u>

**UNION PARISH SHERIFF**  
**Farmerville, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and For the Year June 30, 2014**

**FIDUCIARY FUND TYPE - AGENCY FUNDS**

**TAX COLLECTOR FUND**

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

**SEIZURE FUND**

The Seizure Fund accounts for monies seized from suspects and monies given the sheriff's office by court order on drug cases. These funds are restricted and are to used for drug enforcement.

**CIVIL FUND**

The Civil Fund accounts for funds held in civil suits, sheriff's sales, and garnishments and payment to recipients in accordance with applicable laws.

**CRIMINAL FUND**

The Criminal Fund accounts for the collection of bonds, fines, and court costs in criminal matters and payment to recipients in accordance with applicable laws.

UNION PARISH SHERIFF  
Farmerville, Louisiana  
FIDUCIARY FUND TYPE - AGENCY FUNDS

Schedule of Changes in Unsettled Balances  
Due to Taxing Bodies and Others  
For the Year Ended June 30, 2014

	<u>TAX COLLECTOR FUND</u>	<u>SEIZURE FUND</u>	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>TOTAL</u>
<b>UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 2013</b>	<u>\$63,025</u>	<u>\$7,452</u>	<u>\$50,196</u>	<u>\$195,892</u>	<u>\$316,565</u>
<b>ADDITIONS</b>					
Deposits:					
Sheriff's sales			322,422		322,422
Fines and costs				576,129	576,129
Garnishments			82,094		82,094
Other additions		3	22,617		22,620
Taxes, fees, etc.,	<u>11,495,352</u>				<u>11,495,352</u>
Total additions	<u>11,495,352</u>	<u>3</u>	<u>427,133</u>	<u>576,129</u>	<u>12,498,617</u>
Total	<u>11,558,377</u>	<u>7,455</u>	<u>477,329</u>	<u>772,021</u>	<u>12,815,182</u>
<b>REDUCTIONS</b>					
Deposits settled to:					
Louisiana Forestry Commission	28,985				28,985
Louisiana Tax Commission	6,328				6,328
Union Parish:					
Sheriff's General Fund	1,007,625		125,805	99,303	1,232,733
Police Jury	3,411,160			21,424	3,432,584
School Board	3,574,024				3,574,024
Assessor	771,973				771,973
Clerk of Court	1,228		24,594	36,142	61,964
East Union Hospital	702,578				702,578
Tri-Ward Hospital	244,886				244,886
Ward Five Fire District	346,831				346,831
Spencer-West Sterlington Fire District	22,909				22,909
District 7 Fire District	167,837				167,837
District 1 Fire District	246,686				246,686
Northeast Union Fire District	128,798				128,798
North Union Fire District	47,213				47,213
Bernice Fire District	74,882				74,882
Spearsville Fire District	59,936				59,936
Sadie-Tiger Fire District	40,195				40,195
Municipalities				13,114	13,114
Pension funds	364,135				364,135

(Continued)



UNION PARISH SHERIFF  
 Farmerville, Louisiana  
 FIDUCIARY FUND TYPE - AGENCY FUNDS  
 Schedule of Changes in Unsettled Balances  
 Due to Taxing Bodies and Others, 2014

	<u>TAX COLLECTOR FUND</u>	<u>SEIZURE FUND</u>	<u>CIVIL FUND</u>	<u>CRIMINAL</u>	<u>TOTAL</u>
<b>REDUCTIONS: (CONTD.)</b>					
Deposits settled to: (Contd.)					
District attorney				\$65,670	\$65,670
Indigent defender board				69,547	69,547
LA Rehabilitation Service				3,473	3,473
Criminal court fund				120,905	120,905
Judicial district court				46,741	46,741
Litigants			\$249,032	60,350	309,382
North Louisiana Crime Lab				39,489	39,489
Louisiana Commission on Law Enforcement				9,186	9,186
Redemptions	\$20,789				20,789
Other reductions	<u>75,915</u>		<u>31,134</u>	<u>32,811</u>	<u>139,860</u>
Total reductions	<u>11,344,913</u>	<u>NONE</u>	<u>430,565</u>	<u>618,155</u>	<u>12,393,633</u>
<b>UNSETTLED BALANCES DUE TO TAXING BODIES AND</b>	<u>\$213,464</u>	<u>\$7,455</u>	<u>\$46,764</u>	<u>\$153,866</u>	<u>\$421,549</u>

(Concluded)

**REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS  
PART IV**

**Independent Auditor's Report Required  
by *Government Auditing Standards***

The following independent auditor's report on compliance with laws, regulations and contracts, and internal control over financial reporting are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**Independent Auditors Report on Internal Control Over Financial  
Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance *Government Auditing Standards***

**UNION PARISH SHERIFF**  
Farmerville, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Union Parish Sheriff, a component unit of the Union Parish Police Jury as of and for the year ended June 30, 2014 and the related notes to the financial statements, which collectively comprise the Union Parish Sheriff's basic financial statements, and have issued my report thereon dated September 25, 2014.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered Union Parish Sheriff's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Union Parish Sheriff's internal control. Accordingly, I do not express an opinion on the effectiveness of the Union Parish Sheriff's internal control.

*A deficiency in internal control* exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

UNION PARISH SHERIFF

Farmerville, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2014

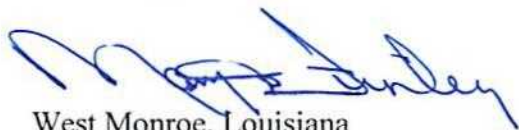
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Union Parish Sheriff's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Union Parish Sheriff's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Union Parish Sheriff's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



West Monroe, Louisiana

September 25, 2014

**UNION PARISH SHERIFF  
Farmerville, Louisiana**

**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2014**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Union Parish Sheriff.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting.
3. No instances of noncompliance material to the financial statements of the Union Parish Sheriff is reported in the Auditor's Report on Compliance and Internal Control Over Financial Reporting.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**UNION PARISH SHERIFF  
Farmerville, Louisiana**

**Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2014**

**13-01 Compliance With Sale of Surplus Property Laws**

**Finding:** The sheriff disposed of a boat by selling without advertising. The Louisiana Revised Statute, 49:125 authorizes the sale of surplus moveable property among political subdivisions at public auctions or other methods provided by law for sales of surplus property.

**Recommendation:** I recommend that the Sheriff dispose of surplus property in a lawful manner. Sheriff dispose of surplus property in a lawful manner.

**Conclusion:** This finding has been resolved.